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TAGS: [KNNP](#) [PARM](#) [PREL](#) [MNUC](#) [EWWT](#) [PHSA](#) [CY](#) [GR](#)  
SUBJECT: CYPRIOTS REVEAL NEXT STEPS ON M/V GREGORIO

REF: A. NICOSIA 1503  
[1](#)B. NICOSIA 1486  
[1](#)C. NICOSIA 1396  
[1](#)D. NICOSIA 1379

Classified By: Ambassador Ronald Schlicher, Reasons 1.4 (b), (d)

[1](#)1. (S) SUMMARY: Cypriot investigations into the activities, crew, and cargo of the M/V Gregorio I (Reftels) are nearly complete. Foreign Ministry officials informed the Embassy September 12 that the 21 vehicles in the vessel's holds comprised an air defense system; their search had uncovered no "offensive" weapons, however. Additionally, MFA experts had found no applicable EU or United Nations sanctions to prevent purported end user Syria from importing the trucks. EU law mandated that Cyprus treat the interdiction as an arms export matter; the RoC would quarantine the Gregorio's haul until destination country Syria filed standard paperwork, sought an arms import license, and pledged it would not re-export the goods to third countries. The RoC's desire to maintain sound relations with Syria necessitated this careful approach, the MFA officials added. In a separate meeting September 10, Embassy personnel approached the Cypriot police chief with request to photograph the materiel. That request was refused. Post is attempting to confirm word that a Cyprus court has ordered the shipment's formal confiscation. END SUMMARY.

[1](#)2. (C) Ambassador Erato Marcoullis, director of the Foreign Ministry's Cyprus Question division, provided the DCM September 12 a readout of the RoC's investigation into the M/V Gregorio, a Panamanian-flagged, Greek-owned freighter suspected of trafficking illicit materiel from North Korea to Syria. Investigators at the port of Limassol had nearly completed their work. Marcoullis was unable to supply the DCM a detailed report of their actions, but summarized the main findings. The Gregorio's cargo bays held 21 Isuzu-manufactured vehicles: three command/control trucks, plus 18 mobile military radars. Together, they comprised an air defense system, Cypriot experts believed. They had discovered no "offensive" weapons, Marcoullis clarified, such as missiles, launchers, or anti-aircraft ammunition. Additionally, the 2,556 metal pipes found aboard the Gregorio appeared to be irrigation-related -- Cyprus had imported similar plumbing from China for water works in the south, she claimed.

[1](#)3. (C) Cyprus had grounds to detain temporarily the Gregorio and its cache, Marcoullis asserted, owing to discrepancies in

the cargo manifest, which noted the vessel was carrying meteorological equipment. Ministry experts had found no applicable EU or UN directives that prohibited trade in radar systems between North Korea and Syria, however. As such, the RoC was treating the case as an arms export matter; since the M/V Gregorio had "for some reason" made port in an EU country, EU rules would apply. End users in Syria, should they want the trucks, must obtain a certificate from the SARG allowing their import, affix supporting documentation, and submit the package to the RoC's Commerce Ministry. Commerce, assisted by an advisory committee whose members hailed from the Foreign, Defense, Labor, and Interior Ministries, would make a final decision on granting the export license.

14. (C) MFA officials September 11 had raised the M/V Gregorio with the Syrian ambassador here, Marcoullis revealed, highlighting the manifest's discrepancies and outlining the process the SARG must follow to import the shipment legally. The Syrian claimed he had no prior knowledge of what the Gregorio had been carrying, and did not mention whether the SARG would seek to gain possession of the trucks. Marcoullis believed that the RoC's customs regulations would allow permanent confiscation of the Gregorio's cargo should the Syrians choose not to pursue its import. As Cyprus did not want to "make an enemy" of the SARG, it was treading carefully on the M/V Gregorio matter.

15. (C) The DCM complimented Cyprus's efforts so far and reiterated the USG's offer to provide technical assistance on an if-asked basis. Marcoullis afterwards was polite but non-committal. She would continue to provide updates, however, as circumstances merited. Later September 12, a locally engaged employee from Post's Export Control and Border Security (EXBS) office, conducting unrelated business in Limassol, overheard a phone conversation of a frequent interlocutor. From the call he deduced that a Cyprus court had ordered the M/V Gregorio I's cargo to be confiscated. We are attempting to confirm this fact with Marcoullis's staff.

16. (C) In a separate meeting September 11, an Embassy officer, acting under his agency's instructions, approached the Cypriot police chief to obtain digital photographs of the satellite vehicles. The RoC official refused the request. In subsequent written correspondence, he stipulated that "due to the sensitivity of the matter," any future requests must be channeled through the Foreign Ministry.  
SCHLICHER